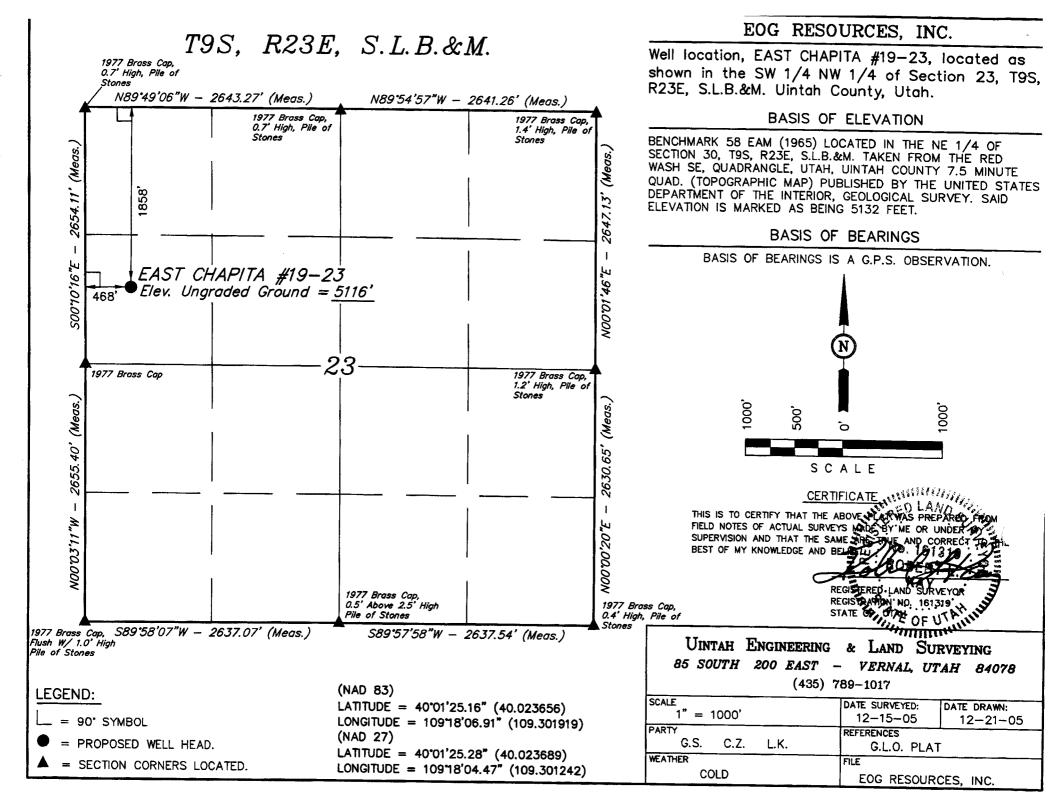
# STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

AMENDED REPORT	
(highlight changes)	

		APPLICAT	ION FOR P	ERMIT TO	DRILL		5. MINERAL LEASE NO: UTU-67868	6. SURFACE:
1A. TYPE OF WORK: DRILL \(  \) REENTER \(  \) DEEPEN \(  \)					7. IF INDIAN, ALLOTTEE OR	TRIBE NAME:		
					8. UNIT or CA AGREEMENT	NAMF <sup>.</sup>		
B. TYPE OF WEI	LL: OIL	GAS 🗸	OTHER	SINC	GLE ZONE	MULTIPLE ZONE	✓ SIMI SI SIMISINE	
2. NAME OF OPE		NC					9. WELL NAME and NUMBER East Chapita 19-2	
3. ADDRESS OF		····			<u>_</u>	PHONE NUMBER:	10. FIELD AND POOL, OR W	
1060 East I		CITY VERN	AL STATE	UT ZIP 840	78	(303) 262-2812	Natural Buttes/Was	
4. LOCATION OF	WELL (FOOTAGE	s) 644	963 X 443 40.023656 L	315604 0	10.023	705	11. QTR/QTR, SECTION, TO MERIDIAN:	WNSHIP, RANGE,
AT SURFACE:	1,858' FNL	_ & 468' FWÌ	_ 40.023656 L	AT 109!3019	919 LOÑ		SWNW 23 9S	23E S
	PRODUCING ZO				-109	. 301239		
			REST TOWN OR POST	OFFICE:			12. COUNTY:	13. STATE: UTAH
	uth of Verna	·		1			Uintah	TO THE MELL
		PERTY OR LEASE L	INE (FEE1)	16. NUMBER OF	FACRES IN LEAS		17. NUMBER OF ACRES ASSIGNED	40
468 Lease		(00)	LETER OR	40 0000000	DEDTU	1,079	20. BOND DESCRIPTION:	40
APPLIED FOR	R) ON THIS LEASE	L (DRILLING, COMP E (FEET)	LETED, OR	19. PROPOSED	DEPTH:	8,750	NM 2308	
4,980	(SHOW) WHETHE	R DF, RT, GR, ETC	<b>)</b>	22 APPROXIMA	ATE DATE WORK		23. ESTIMATED DURATION:	
5,116' GL	,	ER DF, KI, GR, ETC	. ).	22. APT NOAHHA	TE DATE WORK	THE GIANT.	45 days	
3,110 GL								
24.			PROPOSE	D CASING AI	ND CEMEN	TING PROGRAM		
SIZE OF HOLE	CASING SIZE,	GRADE, AND WEIG	SHT PER FOOT S	SETTING DEPTH			TITY, YIELD, AND SLURRY WEIGH	Т
17-1/2	13-3/8	H-40	48#	45	SEE ATT	ACHED EIGHT P	DINT PLAN	
12-1/4	9-5/8	J-55	36#	2,300	2,300 SEE ATTACHED EIGHT POINT			
7-7/8	4-1/2	N-80	11.6#	7,274	7,274 SEE ATTACHED EIGHT POINT			
						···	DECEN/	
	RECEIVED					-U		
25.	<u> </u>			ATTA	CHMENTS		JUN 0 5 20	07
VERIFY THE FOL	LOWING ARE AT	TACHED IN ACCOR	DANCE WITH THE UT	AH OIL AND GAS C	ONSERVATION (	GENERAL RULES:	DIV. OF OIL, GAS &	MINING
					1 🖂		·	
✓ WELL PL	AT OR MAP PRE	PARED BY LICENSE	D SURVEYOR OR EN	GINEER	✓ co	MPLETE DRILLING PLAN		
<b>✓</b> EVIDENC	CE OF DIVISION C	F WATER RIGHTS	APPROVAL FOR USE	OF WATER	FOI	RM 5, IF OPERATOR IS PE	ON OR COMPANY OTHER THAN T	THE LEASE OWNER
***************************************								
NAME (PLEASE	PRINT) Carrie	MacDonald	$\rightarrow$		TITLI	Operations Cle	K	1.7.
SIGNATURE	lavi	Mul	Le		DATE		······································	
(This seems for Co	to use and the				<del>- 25</del>	Appr Litat	ved by the Division of	
(This space for Sta	ite use only)						and Mining	
	. 1	la aun.	2121-					
API NUMBER AS	SIGNED: 4	3-047-	34335		APPROVAL	Date:	1-11-05	

(See Instructions on Reverse Side)

(11/2001)



) ss

### COUNTY OF UINTAH )

# **VERIFICATION**

Carrie MacDonald, of lawful age, being first duly sworn upon oath, deposes and says:

She is the Operations Clerk of EOG Resources, Inc., of Denver, Colorado. EOG Resources, Inc. is the operator of the following described well:

# EAST CHAPITA 19-23 1,858' FNL – 468' FWL (SWNW) SECTION 23, T9S, R23E UINTAH COUNTY, UTAH

EOG Resources, Inc.and Kerr-McGee Oil & Gas Onshore LP, Exhibit A, are the only owners in the well and/or of all contiguous oil and gas leases or drilling units overlying the pool.

On the 4<sup>th</sup> day of June, 2007 she placed in the United States mail, with postage prepaid, a copy of the attached Application for Commingling in one wellbore for the subject well.

Said envelope which contained these instruments was addressed to the Utah Division of Oil, Gas & Mining, Bureau of Land Management and Kerr-McGee Oil & Gas Onshore LP.

Further affiant saith not.

Carrie MacDonald
Operations Clerk

Subscribed and sworn before me this 4<sup>th</sup> day of June, 2007.

Notary Public

My Commission Expires: January 11, 2010

MARY A. MAESTAS NOTARY PUBLIC STATE OF COLORADO

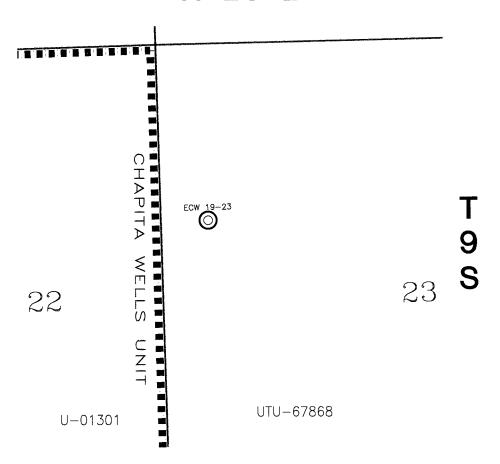
My Commission Expres 01/11/2010

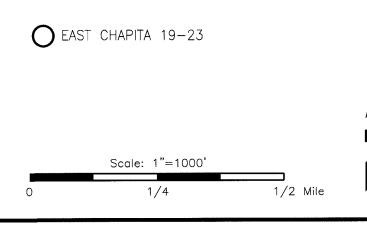
# Exhibit "A" to Affidavit East Chapita 19-23 Application to Commingle

Kerr-McGee Oil & Gas Onshore LP 1999 Broadway, Suite 3700 Denver, CO 80202

Attn: Mr. W. Chris Latimer









Denver Division

# **EXHIBIT "A"**

EAST CHAPITA 19-23 **Commingling Application** Uintah County, Utah

May 04, 2007 9:03am Scale; D:\utah\Commingled\ page\_EC19-23\_commingle WELL

# EAST CHAPITA 19-23 SW/NW, SEC. 23, T9S, R23E, S.L.B.&M.. UINTAH COUNTY, UTAH

#### 1. & 2. ESTIMATED TOPS & ANTICIPATED OIL, GAS, & WATER ZONES:

FORMATION	TVD-RKB (ft)	Objective	Lithology	
Green River	1,565		Shale	
Wasatch	4,457	Primary	Sandstone	Gas
Chapita Wells	4,516	Primary	Sandstone	Gas
Buck Canyon	5,701			
North Horn	6,277	Primary	Sandstone	Gas
KMV Price River	6,513	Primary	Sandstone	Gas
KMV Price River Middle	7,340	Primary	Sandstone	Gas
KMV Price River Lower	8,117	Primary	Sandstone	Gas
Sego	8,536		Sandstone	
TD	8,750			

Estimated TD: 8,750' or 200'± below Sego top

Anticipated BHP: 4,780 Psig

- 1. Fresh Waters may exist in the upper, approximately 1,000 ft  $\pm$  of the Green River Formation, with top at about 2,000 ft  $\pm$ .
- 2. Cement isolation is installed to surface of the well isolating all zones by cement.

EOG Resources, Inc. requests authorization for commingling of production from the Wasatch and Mesaverde formations in the referenced wellbore. In the event allocation of production is necessary, the allocation will be based on proportionate net pay as calculated from cased hole logs. Production from the Wasatch and Mesaverde formations will be commingled in the wellbore and produced through open ended 2-3/8" tubing landed below all perforations in the 4-1/2" production casing.

Attached is a map showing the location of all wells on contiguous oil and gas leases or drilling units and an affidavit showing that this application has been provided to owners of all contiguous oil and gas leases or drilling units overlying the pool.

3. PRESSURE CONTROL EQUIPMENT:

Production Hole – 5000 Psig BOP schematic diagrams attached.

4. CASING PROGRAM:

# EAST CHAPITA 19-23 SW/NW, SEC. 23, T9S, R23E, S.L.B.&M.. UINTAH COUNTY, UTAH

CASING	<u>Hole</u> <u>Size</u>	Length	<u>Size</u>	WEIGHT	<u>Grade</u>	<u>Thread</u>	Rating Collapse	<u>Factor</u> <u>Burst</u>	<u>Tensile</u>
Conductor	17 ½"	0 – 45'	13 %"	48.0#	H-40	STC	770 PSI	1730 PSI	322,000#
Surface	12 ¼"	0' - 2,300' KB±	9-5/8"	36.0#	J-55	STC	2020 PSI	3520 Psi	394,000#
Production	7-7/8"	Surface – TD	4-1/2"	11.6#	N-80	LTC	6350 PSI	7780 Psi	223,000#
			**************************************		N. S. Minneson and M. Land				

Note: 12-1/4" surface hole will be drilled to a total depth of 200'± below the base of the Green River lost circulation zone and cased w/9-5/8" as shown to that depth. Drilled depth may be shallower or deeper than the 2300' shown above depending on the actual depth of the loss zone.

All casing will be new or inspected.

#### 5. Float Equipment:

# Surface Hole Procedure (0'- 2300'±)

Guide Shoe

Insert Float Collar (PDC drillable)

Centralizers: 1-5' above shoe, top of jts. #2 and #3 then every 5th joint to surface. (15 total)

## Production Hole Procedure (2300'± - TD):

Float shoe, 1 joint casing, float collar and balance of casing to surface. 4-½", 11.6#, N-80 or equivalent marker collars or short casing joints to be placed at top of Price River and 400' above top of Wasatch. Centralizers to be placed 5' above shoe on joint #1, top of joint #2, and every 2nd joint to 400' above Wasatch Island top. Thread lock float shoe, top and bottom of float collar, and top of 2<sup>nd</sup> joint.

#### 6. MUD PROGRAM

## Surface Hole Procedure (Surface - 2300'±):

Air/air mist or aerated water.

<u>Production Hole Procedure (2300' $\pm$  - TD):</u> Anticipated mud weight 9.5 – 10.5 ppg depending on actual wellbore conditions encountered while drilling.

2300'±-TD A closed mud system will be utilized. A bentonite gelled water mud system will be used to control viscosity w/PHPA polymer used for supplemental viscosity and clay

# EAST CHAPITA 19-23 SW/NW, SEC. 23, T9S, R23E, S.L.B.&M.. **UINTAH COUNTY, UTAH**

encapsulation/inhibition. Water loss will be maintained at <15cc's using white starch or PAC. Bactericides will be used as needed. Anticipated pH will range from 9.0-10.0. Mud weight will be adjusted as necessary for well control. Deflocculants/thinners will be used as necessary to maintain mud quality. LCM sweeps will be utilized as necessary to control lost circulation and mud loss. CO2 contamination, if encountered, will be treated with lime and gypsum.

#### 7. VARIANCE REQUESTS:

Reference: Onshore Oil and Gas Order No. 2 – Item E: Special Drilling Operations

EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length. Due to reduce location excavation, the blooie line will be approximately 75' in length

#### 8. EVALUATION PROGRAM:

Logs:

Mud log from base of surface casing to TD.

Cased-hole Logs:

Cased-hole logs will be run in lieu of open-hole logs consisting of the following:

Cement Bond / Casing Collar Locator and Pulsed Neutron

#### 9. CEMENT PROGRAM:

#### Surface Hole Procedure (Surface - 2300'±):

Lead:

185 sks Class "G" cement with 16% Gel, 10 #/sx Gilsonite, 3% Salt, 2% CaCI<sub>2</sub>, 3 lb/sx GR3

1/4 #/sx Flocele mixed at 11 ppg, 3.82 ft<sup>3</sup>/sk. yield, 23 gps water.

Tail:

207 sks Class "G" cement with 2% CaCI<sub>2</sub>, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft<sup>3</sup>/sk., 5.2

gps water.

**Top Out**: As necessary with Class "G" cement with 2% CaCl<sub>2</sub>, ½#/sk Flocele mixed at 15.6 ppg, 1.18

ft<sup>3</sup>/sk., 5.2 gps water.

Note:

Cement volumes will be calculated to bring lead cement to surface and tail cement to

500'above the casing shoe.

#### Production Hole Procedure (2300'± - TD)

Lead:

122 sks: Hi-Lift "G" w/12% D20 (Bentonite), 1% D79 (Extender), 5% D44

# EAST CHAPITA 19-23 SW/NW, SEC. 23, T9S, R23E, S.L.B.&M.. UINTAH COUNTY, UTAH

(Salt),0.2% D46 (Antifoam), 0.25% D112 (Fluid Loss Additive), 0.25 pps D29 (cello flakes) mixed at 11.0 ppg, 3.91 ft<sup>3</sup>/sk., 24.5 gps water.

Tail:

845 sks: 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13

(Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at

14.1 ppg, 1.28 ft<sup>3</sup>/sk., 5.9gps water.

Note:

The above number of sacks is based on gauge-hole calculation.

Lead volume to be calculated to bring cement to 200'± above 9-5/8" casing shoe. Tail volume to be calculated to bring cement to 400'± above top of Wasatch.

Final Cement volumes will be based upon gauge-hole plus 45% excess.

#### 10. ABNORMAL CONDITIONS:

#### Surface Hole (Surface - 2300'±):

Lost circulation

#### **Production Hole (2300'± - TD):**

Sloughing shales, lost circulation and key seat development are possible in the Wasatch Formation.

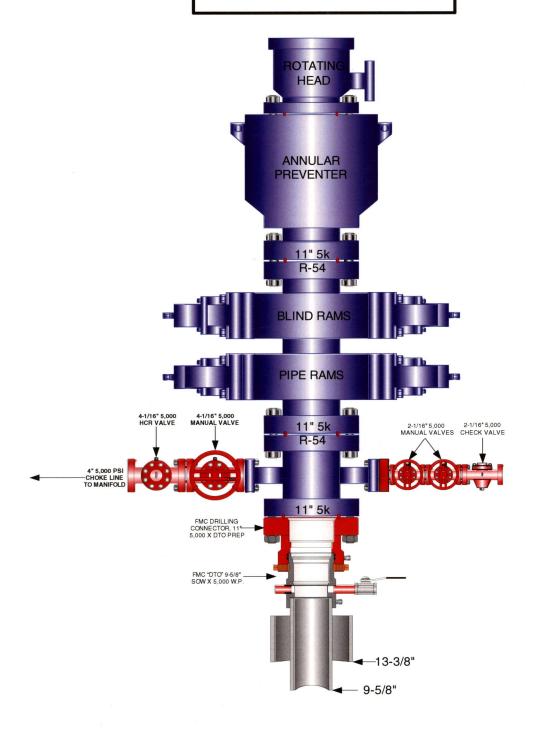
#### 11. STANDARD REQUIRED EQUIPMENT:

- A. Choke Manifold
- B. Upper and Lower Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

#### 12. HAZARDOUS CHEMICALS:

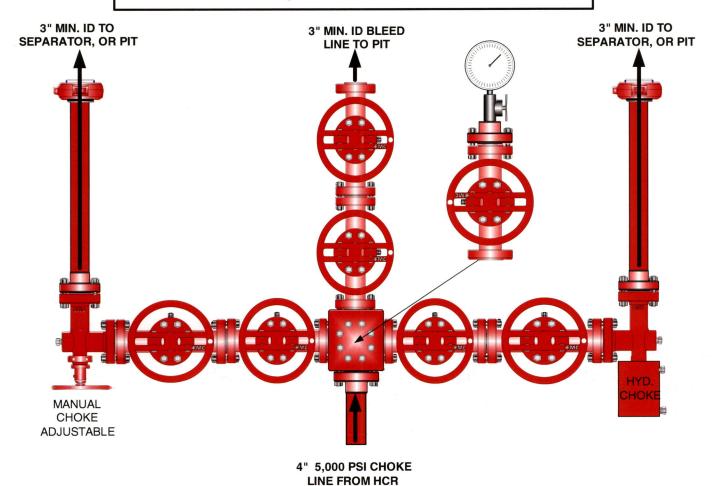
No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

(Attachment: BOP Schematic Diagram)



# EOG RESOURCES CHOKE MANIFOLD CONFIGURATION W/ 5,000 PSI WP VALVES

**PAGE 2 0F 2** 



**VALVE** 

### **Testing Procedure:**

- 1. BOP will be tested with a professional tester to conform to Onshore Order #2.
- 2. Blind and Pipe rams will be tested to rated working pressure, 5,000 psi.
- 3. Annular Preventer will be tested to 50% working pressure, 2,500 psi. Casing will be tested to 0.22 psi / ft. or 1,500 psi. Not to exceed 70% of burst strength, whichever is greater.
- 4. All lines subject to well pressure will be tested to the same pressure as blind and pipe rams.
- 5. All BOPE specifications and configurations will meet Onshore Order #2 requirements.



# East Chapita 19-23 SWNW, Section 23, T9S, R23E Uintah County, Utah

# SURFACE USE PLAN

EOG Resources, Inc., hereby applies under Section 28 of the Act of February 25, 1920 (41 state. 449), (30 U.S.C. Section 185) as amended by the Act of November 16, 1973, (87 Stat. 576) and requests that this APD serve as the construction, operations and maintenance plan for the right-of-way application for the pipeline on federal lands. A 30-year right-of-way term is requested.

The requested pipeline right-of-way on Federal acreage necessary is approximately 2753'  $\times$  40', with 820' located within Federal Lease # UTU-67868 and 1,933' located within Federal Lease # U-01301 containing 2.53 acres more or less (see attached survey plats and maps).

The requested road right-of-way on Federal acreage necessary is approximately 3432' x 40', with 852' located within Federal Lease # UTU-67868 and 2,590' located within Federal Lease # U-01301 containing 3.15 acres more or less (see attached survey plats and maps).

The well pad is approximately 325 feet long with a 246-foot width, containing 1.84 acres more or less. The well access road is approximately 3432 feet long with a 40-foot right-of-way, disturbing approximately 3.15 acres. New surface disturbance associated with access road and the well pad is estimated to be approximately 4.99 acres. The pipeline is approximately 2753 feet long with a 40-foot right-of-way, disturbing approximately 2.53 acres.

#### 1. Existing Roads:

- A. See attached Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.
- B. The proposed well site is located approximately 55.45 miles south of Vernal, Utah See attached TOPO Map "A".
- C. Refer to attached Topographic Map "A" showing labeled access route to location.
- D. Existing roads will be maintained and repaired as necessary.

#### 2. PLANNED ACCESS ROAD:

- A. The access road will be approximately 3,432' in length. A diversion ditch shall be constructed on the east side of the proposed access road, diverting water around corner 2.
- B. The access road has a 40 foot ROW w/18 foot running surface.
- C. Maximum grade of the new access road will be 8 percent.
- D. No turnouts will be required.
- E. Road drainage crossings shall be of the typical dry creek drainage crossing type.
- F. No bridges, or major cuts and fills will be required.
- G. The access road will be dirt surface.
- H. No gates, cattleguards, or fences will be required or encountered.
- I. A 40-foot permanent right-of-way is requested. No surfacing material will used.
- J. No additional storage areas will be needed for storing equipment, stockpiling, or vehicle parking.

All travel will be confined to existing access road rights-of-way.

New or reconstructed roads will be centerlined – flagged at time of location staking. Access roads and surface disturbing activities will conform to standards outlined in the Bureau of Land Management and Forest Service publication: Surface Operating Standards for Oil and Gas Exploration and Development, Fourth Edition and/or BLM Manual Section 9113 concerning road construction standards on projects subject to federal jurisdiction.

The road shall be constructed/upgraded to meet the standards of the anticipated traffic flow and all-weather road requirements. Construction/upgrading shall include ditching, draining, graveling, crowning, and capping the roadbed as necessary to provide a well constructed safe road. Prior to upgrading, the road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 40 foot right-of-way will not be allowed. Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossing nor shall the drainages be blocked by the roadbed. Erosion of drainage ditches by runoff water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around then avoided.

As operator, EOG Resources, Inc. shall be responsible for all maintenance on cattleguards, or gates associated with this oil and/or gas operation.

Traveling off the 40 foot right-of-way will not be allowed. The access road and associated drainage structures will be constructed and maintained in accordance with road guidelines

contained in the joint BLM/USFS publication: Surface Operating Standards for Oil and Gas Exploration and Development, Third Edition, and/or BLM Manual Section 9113 concerning road construction standards on projects subject to federal jurisdiction. During the drilling and production phase of operations, the road surface and shoulders will be kept in a safe and useable condition and drainage ditches and culverts will be kept clear and free flowing.

EOG requests a 40 foot road right-of-way, for the portion of the access road located within Section 22, T9S, R23E Federal Lease U-01301.

#### 3. LOCATION OF EXISTING WELLS WITHIN A ONE-MILE RADIUS:

See attached TOPO map "C" for the location of wells within a one-mile radius.

### 4. LOCATION OF EXISTING AND/OR PROPOSED PRODUCTION FACILITIES:

#### A. On Well Pad

- Production facilities will be set on location if the well is successfully completed for production. Facilities will consist of wellhead valves, combo separator-dehy unit with meter, two (2) 400-bbl vertical tanks and attaching piping.
- 2. Gas gathering lines A 4" gathering line will be buried from dehy to the edge of the location.

# B. Off Well Pad

- 1. Proposed pipeline will transport natural gas.
- 2. The pipeline will be a permanent feeder line.
- 3. The length of the proposed pipeline is 2,753 x 40'. The proposed pipeline leaves the northern edge of the well pad (Lease UTU-67868) proceeding in a northeasterly direction for an approximate distance of 820' to SENE of Section 22, T9S, R23E (Lease U-01301) proceeding for an approximate distance of 2,753' tieing into an existing pipeline in the NWNE of Section 22, T9S, R23E. Pipe will be 4" NOM, 0.156 wall, Grade X42, Zap-Lock, electric weld with a 35 mil X-Tru coating.
- 4. Proposed pipeline will be a 4" OD steel, zap-lok line laid on the surface
- 5. Proposed pipeline will be laid on surface.
- 6. A 20-foot permanent pipeline right-of-way is requested. A 40-foot temporary pipeline right-of-way for construction purposes is requested, the temporary right-of-way will be utilized for a 10-day period.
- 7. The proposed pipeline route begins in the SWNW of Section 23, Township 9S, Range 23E, proceeding northeasterly for 2,753' tieing into an existing pipeline located within NWNE of Section 22, T9S, R23E.

8. Pipeline will be coupled using the Zap lock method. No additional off-pad facilities will be required.

All permanent (on site for six months or longer) structures constructed or installed (including pumping units) will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the Rocky Mountain Five State Interagency Committee. All facilities will be painted within 6 months of installation. All facilities will be painted with Carlsbad Canyon or Covert Green. Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded.

# 5. LOCATION AND TYPE OF WATER SUPPLY:

- A. Water supply will be from Ouray Municipal Water Plant at Ouray, Utah, and/or Bonanza Power Plant water source in Sec 26, T8S, R23E Uintah County, UT (State Water Right # 49-225(A31368)). Water will be hauled by a licensed trucking company.
- B. Water will be hauled by a licensed trucking company.
- C. No water well will be drilled on lease.

# 6. Source of Construction Materials:

- A. All construction material for this pipeline will be of native borrow and soil accumulated during the construction of the location.
- B. No mineral materials will be required.

#### 7. METHODS OF HANDLING WASTE DISPOSAL:

# A. METHODS AND LOCATION

- 1. Cuttings will be confined in the reserve pit.
- 2. A portable toilet will be provided for human waste during the drilling and completion of the well. Disposal will be at the Vernal sewage disposal plant.
- 3. Burning will not be allowed. Trash and other waste material will be contained in a wire mesh cage and disposed of at the Uintah County Landfill.
- 4. Produced wastewater will be confined to a lined pit or storage tank for a period not to exceed 90 days after initial production. After the 90 day period, the produced water will be contained in a tank on location and then disposed of at one of the following locations: Natural Buttes Unit 21-20B SWD, Ace Disposal, CWU 550-30N SWD or EOG Resources, Inc. drilling operations (Chapita Wells Unit, Natural Buttes Unit & Stagecoach Unit).

- 5. All chemicals will be disposed of at an authorized disposal site. Drip pans and absorbent pads will be used on the drilling rig to avoid leakage of oil to the pit.
- B. Water from drilling fluids and recovered during testing operations will be disposed of by either evaporating in the reserve pit or by removed and disposed of at an authorized disposal site. Introduction of well bore hydrocarbons to the reserve pit will be avoided by flaring them off in the flare pit at the time of recovery.

The reserve pit will be constructed so as not to leak, break, or allow discharge. If the reserve pit requires padding prior to lining (due to rocky conditions) felt padding will be used.

The reserve pit shall be lined with felt and a 16 millimeter plastic liner. Sufficient bedding (i.e. weed free straw, or hay; felt; polyswell or soil) to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash, scrap pipe, etc., that could puncture the liner will be disposed of in the pit. More stringent protective requirements may be deemed necessary by the A.O.

EOG Resources, Inc. maintains a file, per 29 CFR 1910.1200 (g) containing current Material Safety Data Sheets (MSDS) for all chemicals, compounds, and/or substances which are used during the course of construction, drilling, completion, and production operations for this project. Hazardous materials (substances) which may be found at the site may include drilling mud and cementing products which are primarily inhalation hazards, fuels (flammable and/or combustible), materials that may be necessary for well completion/ stimulation activities such as flammable or combustible substances and acids/gels (corrosives). The opportunity for Superfund Amendments and Reauthorization Act (SARA) listed Extremely Hazardous Substances (EHS) at the site is generally limited to proprietary treating chemicals. All hazardous and EHS and commercial preparations will be handled in an appropriate manner to minimize the potential for leaks or spills to the environment.

No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling, testing, or completion of the well. Furthermore, extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will not be used, produced, stored, transported, or disposed of in association with the drilling, testing or completion of the well.

# 8. Ancillary Facilities:

None anticipated.

#### 9. WELL SITE LAYOUT:

- A. Refer to attached well site plat for related topography cuts and fills and cross sections.
- B. Refer to attached well site plat for rig layout and soil material stockpile location as approved on On-site.

C. Refer to attached well site plat for rig orientation, parking areas, and access road.

The reserve pit will be located on the southwest corner of the location. The flare pit will be located downwind of the prevailing wind direction on the west side of the location, a minimum of 100 feet from the well head and 30 feet from the reserve pit fence.

The stockpiled pit topsoil (first six inches) will be stored separate from the location topsoil west of corner #5. The stockpiled location topsoil will be stored in a location providing easy access for interim reclamation and protect of the topsoil. Upon completion of construction, the stockpiled topsoil from the location will be broadcast seeded with the approved seed mixture from this location and then walked down with a Caterpiller tractor.

Access to the well pad will be from the south.

A diversion ditch shall be constructed on the east side of the location, diverting water around the location from corner 2 to corner 8.

After the reserve pit has been reclaimed a diversion ditch or berm shall be constructed on the west side of the location diverting runoff water to the north.

#### **FENCING REQUIREMENTS:**

All pits will be fenced according to the following minimum standards:

- A. Thirty-nine inch net wire shall be used with at least one strand of barbed wire on top of the net wire. (Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.)
- B. The net wire shall be no more than 2 inches above the ground. The barbed wire strand shall be 3 inches above the net wire. Total height of the fence shall be at least 42 inches.
- C. Corner posts shall be cemented and/or braced in such a manner as to keep the fence tight at all times.
- D. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distances between any two posts shall be no greater than 16 feet.
- E. All wire shall be stretched by using a stretching device before it is attached to the corner posts.

The reserve pit fencing will be on the three sides during drilling operations and on the fourth side when the rig moves off location. Pits will be fenced and maintained until clean-up.

Each existing fence to be crossed by the access road shall be braced and tied off before cutting so as to prevent slacking of the wire. The opening shall be closed temporarily as necessary during construction to prevent the escape of livestock, and, upon completion

of construction, the fence shall be repaired to BLM or SMA specifications. A cattleguard with an adjacent 16 foot gate shall be installed in any fence where a road is regularly traveled. If the well is a producer, the cattleguards (shall/shall not) be permanently counted on concrete bases. Prior to crossing any fence located on Federal land, or any fence between Federal land and private land, the operator will contact the BLM, who will in turn contact the grazing permittee or owner of said fence and offer him/her the opportunity to be present when the fence is cut in order to satisfy himself/herself that the fence is adequately braced and tied off.

## 10. PLANS FOR RECLAMATION OF THE SURFACE:

# A. Interim Reclamation (Producing Location)

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash, and junk not required for production.

Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with CFR 3162.7-1.

If a plastic nylon reinforced liner is used, it shall be torn and perforated before backfilling of the reserve pit.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours — See attached Figure #3. The reserve pit will be reclaimed within 90 days from the date of the well completion, or as soon as environmental conditions allow. Before any dirt takes place, the reserve pit must be completely dry and free of all foreign obstacles.

The stockpiled pit topsoil will then be spread over the pit area and broadcast seeded with the prescribed seed mixture for this location. The seeded area will then be walked down with a cat.

	Drilled Rate			
Seed Mixture	(lbs./acre PLS*)			
HyCrest Wheatgrass	9.0			
Prostrate Kochia	3.0			
Shadscale	3.0			

<sup>\*</sup>Pure live seed (PLS) formula: percent of purity of seed mixture times percent germination of seed mixture equals portion of seed mixture that is PLS.

# B. Dry Hole/Abandoned Location

At such time as the well is plugged and abandoned, the operator will submit a subsequent report of abandonment and the BLM will attach the appropriated surface rehabilitation conditions of approval.

Seed Mixture	Drilled Rate (lbs./acre PLS*)
Wyoming Big Sage	3.0
Needle and Thread Grass	3.0
Scarlet Globe Mallow	1.0
HyCrest Wheatgrass	1.0

<sup>\*</sup>Pure live seed (PLS) formula: percent of purity of seed mixture times percent germination of seed mixture equals portion of seed mixture that is PLS.

#### 11. SURFACE OWNERSHIP:

Surface ownership of the proposed well site, access road, and pipeline route is as follows:

State of Utah

#### 12. OTHER INFORMATION:

- A. EOG Resources, Inc. will inform all persons in the area who are associated with this project that they are subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator will immediately stop work that might further disturb such materials, and contact the Authorized Officer. Within five working days the Authorized Officer will inform the operator as to:
  - Whether the materials appear eligible for the National Register of Historic Places;
  - The mitigation measures the operator will likely have to undertake before the site can be used.
  - A time frame for the Authorized Officer to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the Authorized Officer are correct and that mitigation is appropriate.

If the operator wished, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the Authorized Officer will assume responsibility for whatever recordation and stabilization of the exposed materials that may be required. Otherwise, the operator will be responsible for mitigation costs. The Authorized Officer will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the Authorized Officer that required mitigation has been completed, the operator will then be allowed to resume construction.

B. As operator, EOG Resources, Inc. will control noxious weeds along Right-of-Ways for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds will

be obtained from the BLM administered land, a Pesticide Use proposal shall be submitted, and given approval, prior to the application or herbicides or other pesticides or possible hazardous chemicals.

- C. Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on BLM lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities. (The BLM does not seek to compete with private industry. There are commercial facilities available for stacking and storing drilling rigs.)
- D. The drilling rig and ancillary equipment will be removed from the location prior to commencement of completion operations. Completion operations will be conducted utilizing a completion/workover rig.

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice of Lessees. The operator is fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

Construction activity will not be conducted using frozen or saturated soils material or during periods when watershed damage is likely to occur.

If the existing access road, proposed access road, and proposed pad are dry during construction, drilling, and completion activities, water will be applied to help facilitate compaction during construction and to minimize soil loss as a result of wind erosion.

A cultural resources survey was conducted and submitted by Montgomery Archaeological Consultants on 3/22/2006. A paleontological survey was conducted and submitted by Intermountain Paleo on 5/4/2006.

# **Additional Surface Stipulations:**

No construction or drilling activities will be conducted between February 1 and July 15 due to Golden Eagle stipulations, unless clearance has been obtained by the BLM wildlife biologist.

# LESSEE OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION:

#### **PERMITTING AGENT**

Carrie MacDonald EOG Resources, Inc. 600 17<sup>th</sup> Street, Suite 1000N Denver, CO 80218 (303) 262-2812

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved plan of operations, and any applicable Notice to Lessees. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to insure compliance.

The operator or his/her contractor shall contact the BLM office at (435) 781-4400 forty-eight (48) hours prior to construction activities.

#### **CERTIFICATION:**

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by EOG Resources, Inc. and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filling of a false statement.

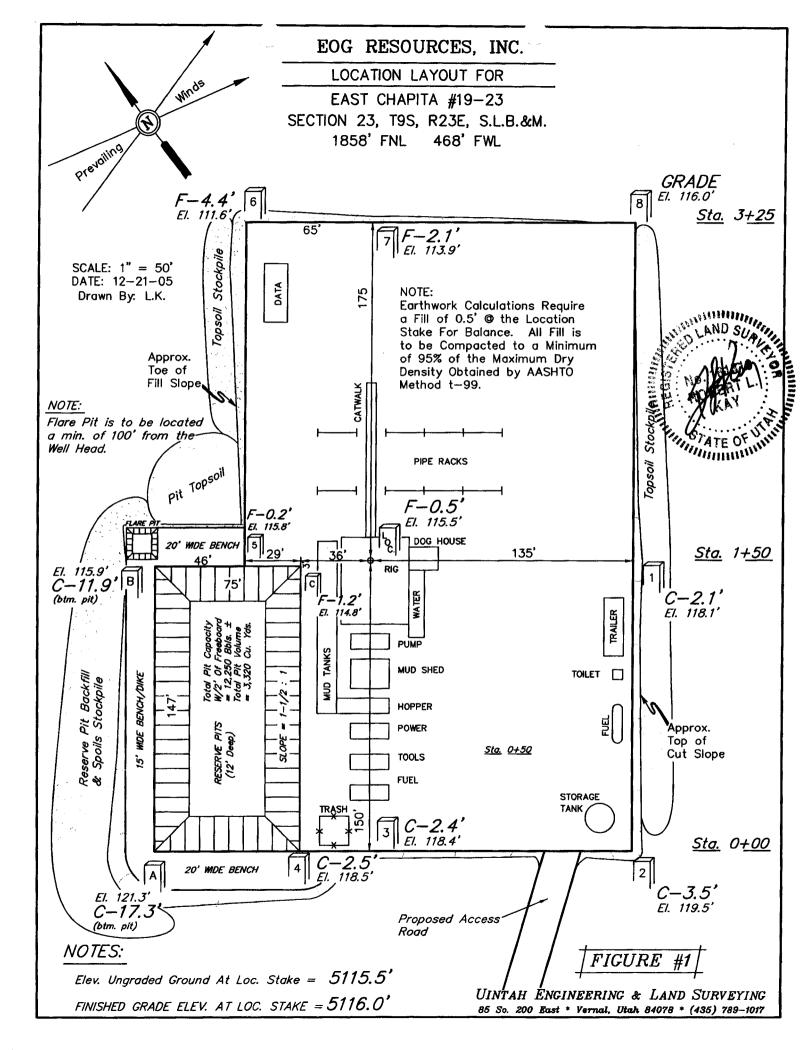
Please be advised that EOG Resources, Inc. is considered to be the operator of the East Chapita 19-23 well, located in the SWNW, of Section 23, T9S, R23E, Uintah County, Utah; State land and Federal minerals; and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond Coverage is under Bond # NM 2308.

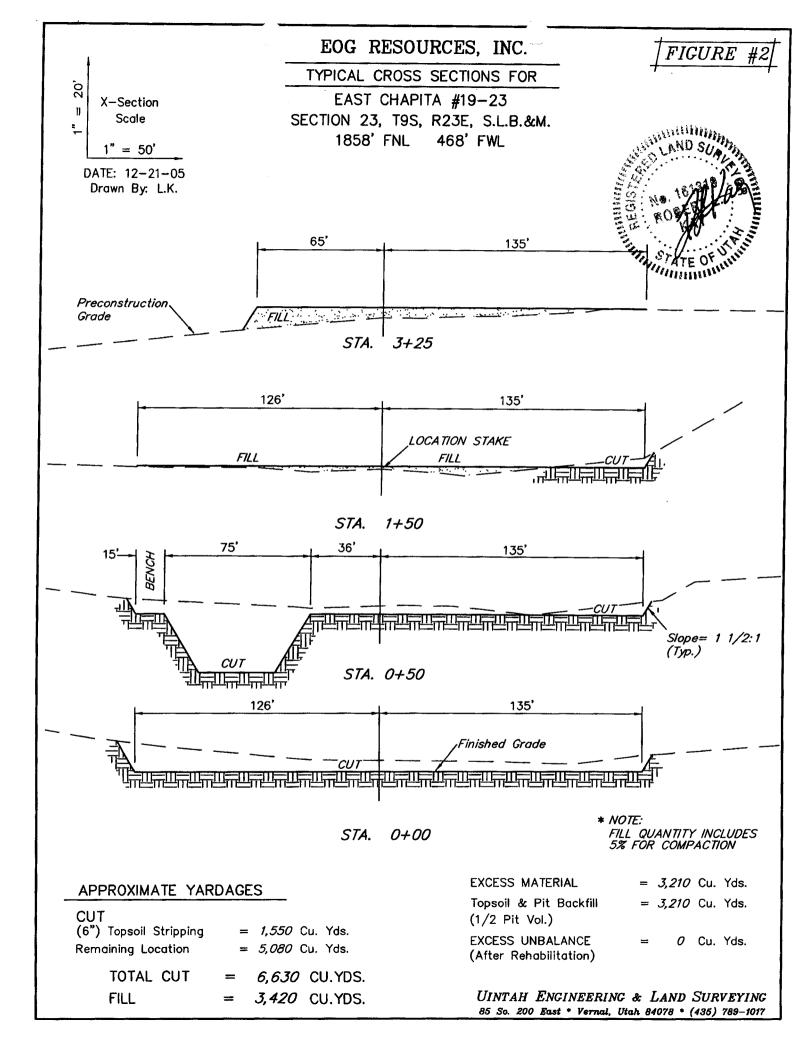
June 4, 2007		Cari	more
Date	· <del></del>	Carrie MacDor	nald, Operations Clerk
Onsite Date:	May 1, 2007	-	<del></del>

# EOG RESOURCES, INC. EAST CHAPITA #19-23 SECTION 23, T9S, R23E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 0.3 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST: TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 12.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 1.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 1.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST: TURN RIGHT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATLEY 0.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN LEFT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 4.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; AND PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATLEY 2.4 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN RIGHT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATLEY 0.2 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST: PROCEED IN SOUTHEASTERLY DIRECTION APPROXIMATLEY 0.5 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE SOUTHEAST: FOLLOW ROAD FLAGS IN A SOUTHEASTERLY, THEN NORTHEASTERLY DIRECTION APPROXIMATELY 0.15 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 55.45 MILES.





# EOG RESOURCES, INC. EAST CHAPITA #19-23

LOCATED IN UINTAH COUNTY, UTAH SECTION 23, T9S, R23E, S.L.B.&M.

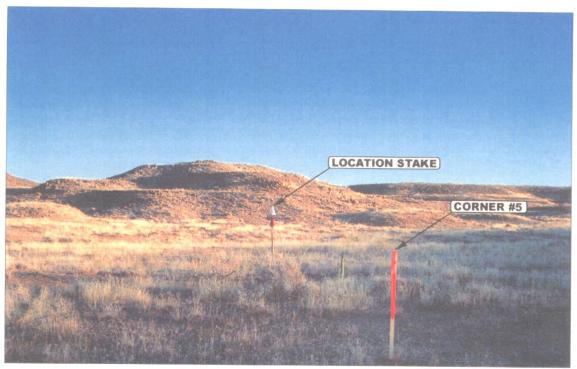


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: SOUTHEASTERLY

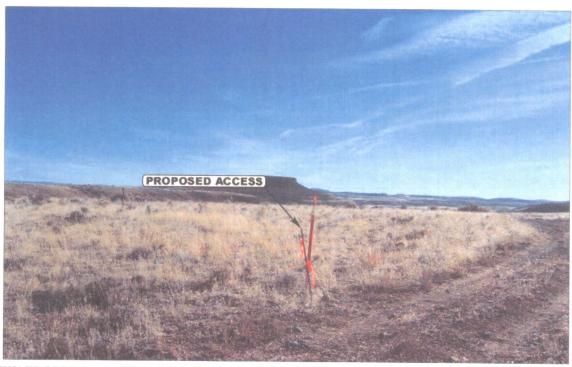


PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: SOUTHEASTERLY



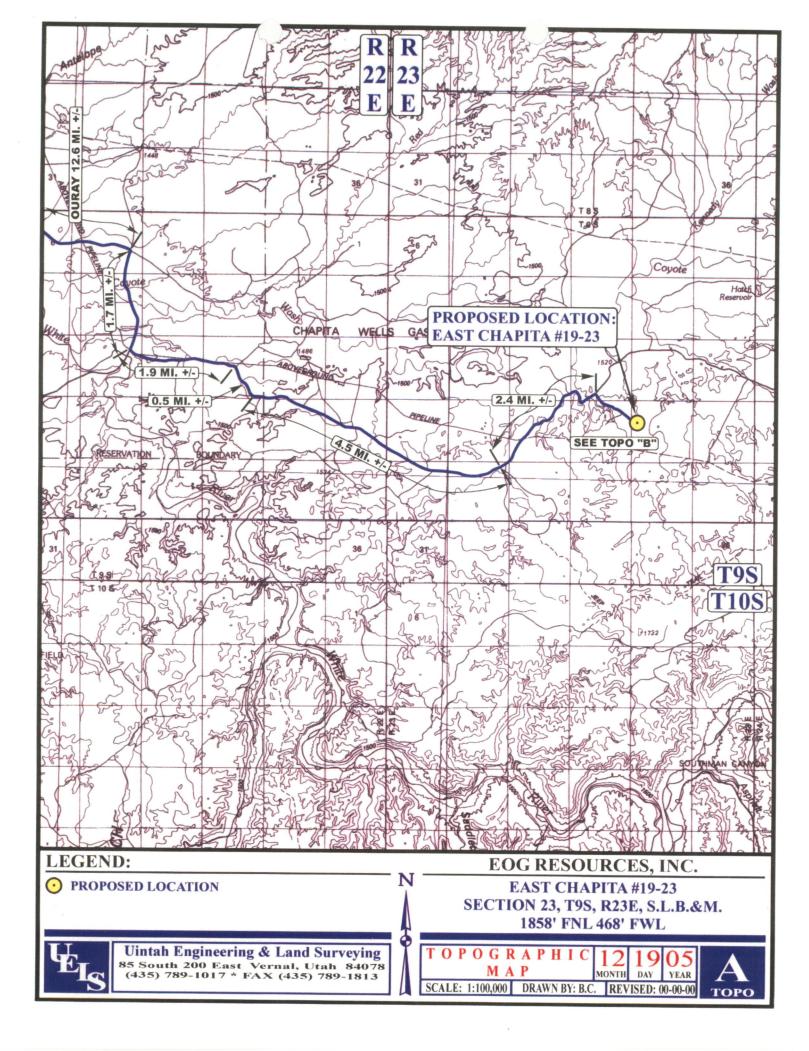
Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

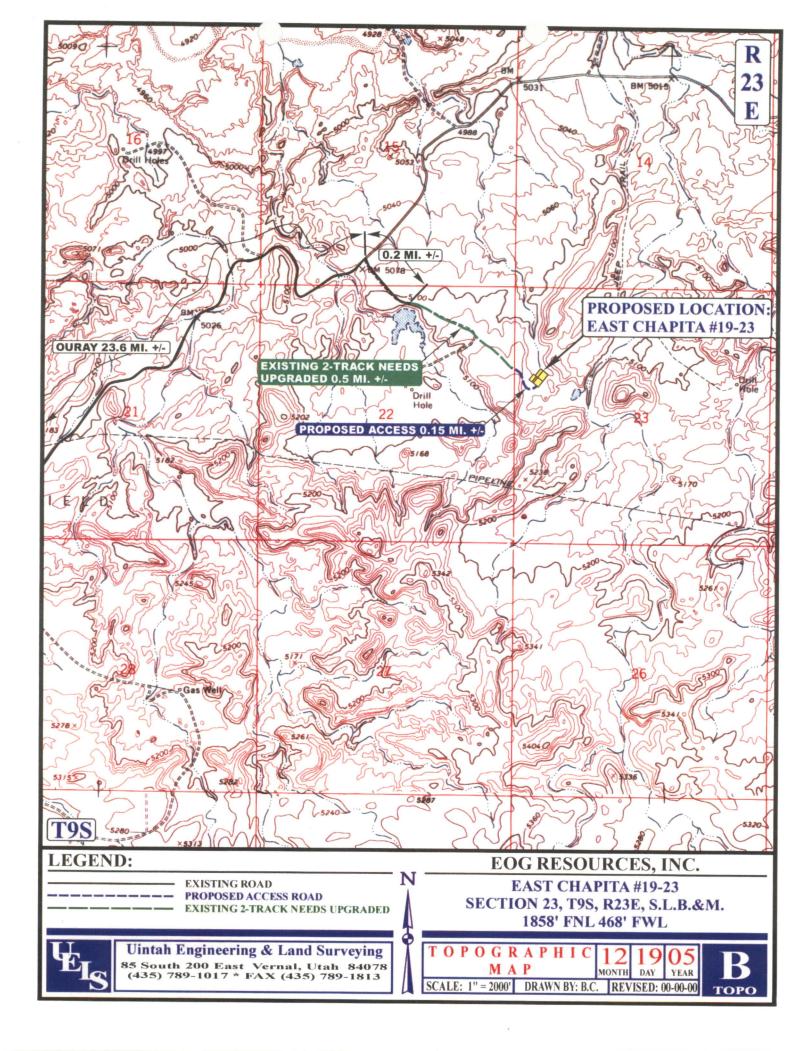
**LOCATION PHOTOS** 

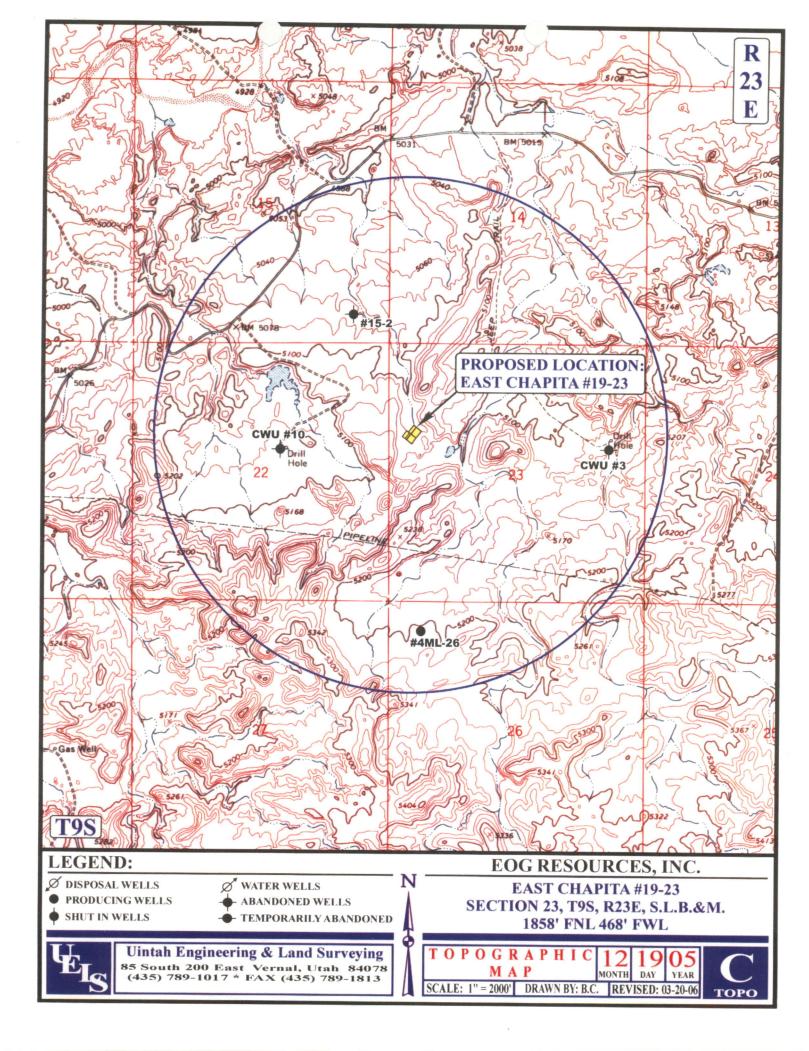
12 19 05 MONTH DAY YEAR

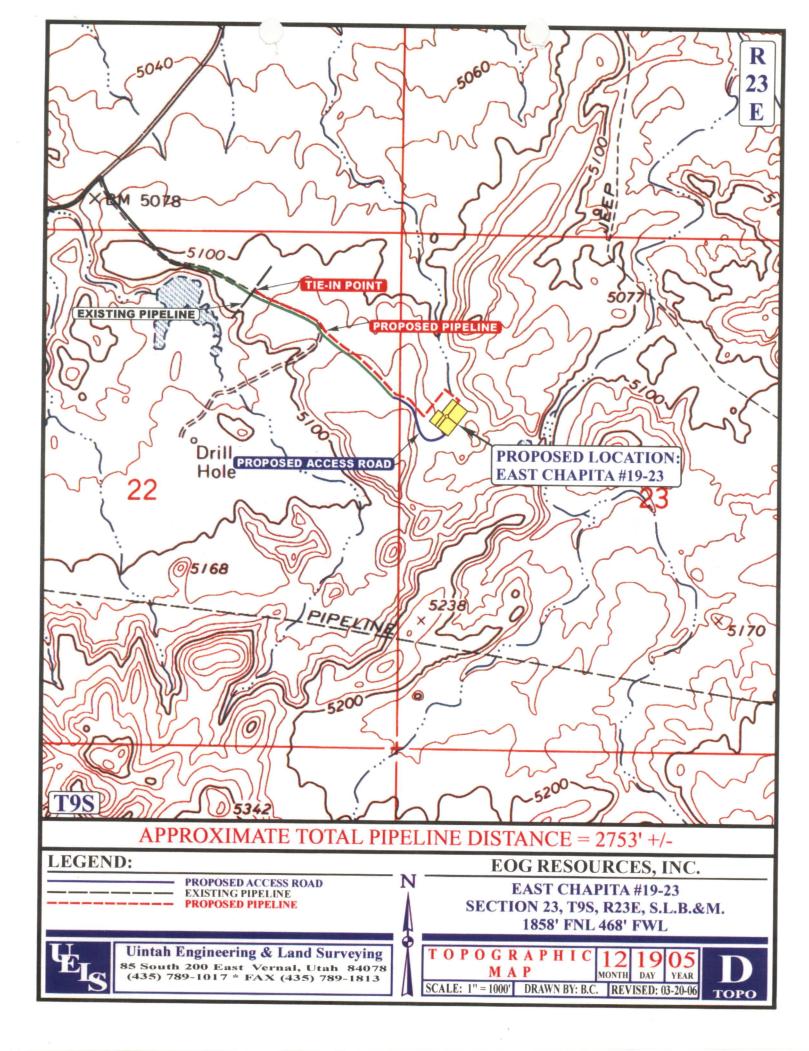
РНОТО

TAKEN BY: J.R. DRAWN BY: B.C. REVISED: 00-00-00



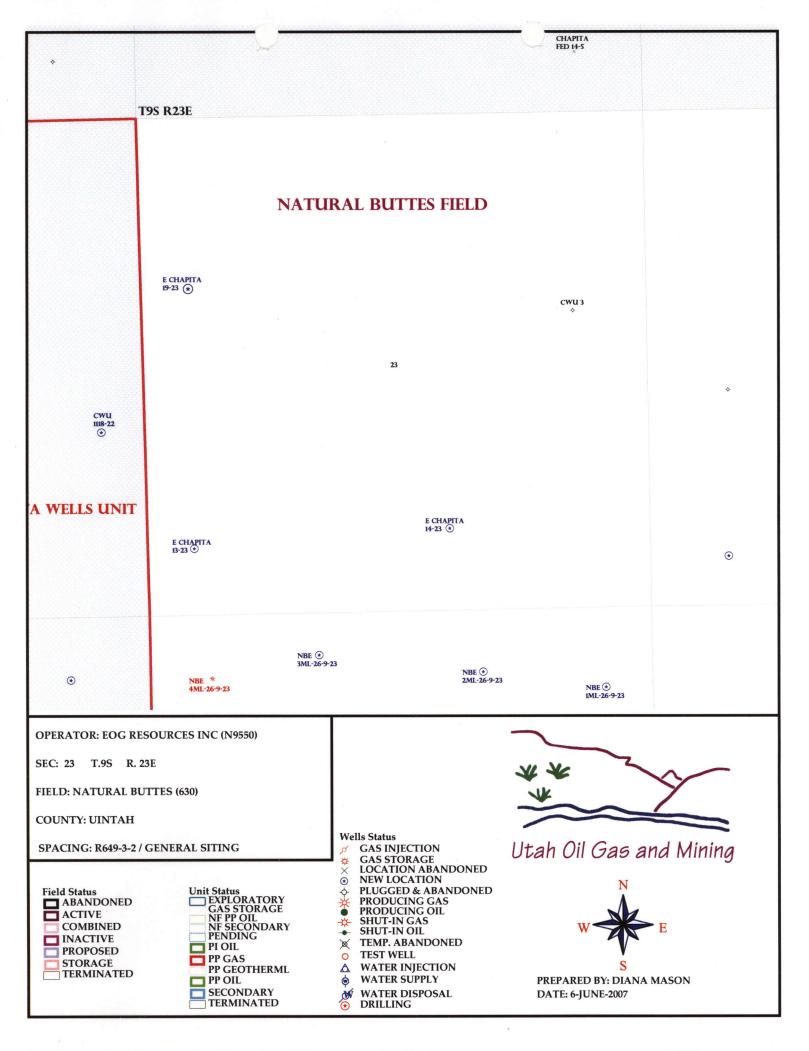






# WORKSHEET APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 06/05/2007	API NO. ASSIGNED: 43-047-39335				
WELL NAME: E CHAPITA 19-23					
OPERATOR: EOG RESOURCES INC ( N9550 )	PHONE NUMBER: 303-262-2812				
CONTACT: CARRIE MACDONALD					
PROPOSED LOCATION:	INSPECT LOCATN BY: / /				
SWNW 23 090S 230E SURFACE: 1858 FNL 0468 FWL	Tech Review Initials Date	<del></del>			
BOTTOM: 1858 FNL 0468 FWL	Engineering DLO 6/26/	 10 Z			
COUNTY: UINTAH	Geology				
LATITUDE: 40.02371 LONGITUDE: -109.3012 UTM SURF EASTINGS: 644963 NORTHINGS: 4431560	Surface				
FIELD NAME: NATURAL BUTTES ( 630 )					
LEASE TYPE: 1 - Federal  LEASE NUMBER: UTU-67868  SURFACE OWNER: 3 - State	PROPOSED FORMATION: WSMVD COALBED METHANE WELL? NO				
RECEIVED AND/OR REVIEWED:	LOCATION AND SITING:				
✓ Plat	R649-2-3.				
Bond: Fed[1] Ind[] Sta[] Fee[]	Unit:				
(No. <u>NM 2308</u> )					
Potash (Y/N)	R649-3-2. General				
Oil Shale 190-5 (B) or 190-3 or 190-13	Siting: 460 From Qtr/Qtr & 920' Between We	ells —			
Water Permit (No. 49-225 )	R649-3-3. Exception				
N RDCC Review (Y/N)	Drilling Unit				
(Date:)	Board Cause No:				
<u> </u> Fee Surf Agreement (Y/N)	Siting:				
Intent to Commingle (Y/N)  ( wasatch, Mexverde)	R649-3-11. Directional Drill				
comments: Need Dro	nt (08-16-07)				
[					
STIPULATIONS: 1- Joden C.	pprovid C				
2- Spacent					
3-Conad					
	MENT OF BASIS				



# **Application for Permit to Drill Statement of Basis**

8/27/2007

# Utah Division of Oil, Gas and Mining

Page 1

APD No

API WellNo

Status

Well Type GW

**Surf Ownr** 

**CBM** 

444

43-047-39335-00-00

Surface Owner-APD

S

No

EOG RESOURCES INC Operator

Well Name E CHAPITA 19-23

Unit

Field

NATURAL BUTTES

Type of Work

Location SWNW 23 9S 23E S 1858 FNL 468 FWL GPS Coord (UTM) 644963E 4431560N

**Geologic Statement of Basis** 

EOG proposes to set 45 feet of conductor and 2,300 feet of surface casing cemented to the surface. The base of the moderately saline water is estimated at approximately 2,100 feet. A search of Division of Water Rights records shows no water wells within a 10,000 foot radius of the proposed location. The surface formation at

this location is the Uinta Formation. The Uinta Formation is made up of discontinuous sands interbedded with shales and are not expected to produce prolific aguifers. The proposed surface casing should adequately protect

any near surface aquifers.

Brad Hill

8/27/2007

APD Evaluator

Date / Time

#### **Surface Statement of Basis**

The general area is within the Coyote Wash Drainage. This is a major drainage beginning near the Utah-Colorado border to the east and joining the White River approximately 8 miles to the southwest. The drainage consists of several significant side drainages. The drainage is dry except for ephemeral flows. No seeps or springs exist in the area. An occasional pond has been constructed to supply water for livestock and antelope. The topography is characterized by rolling hills, frequently divided by gentle to deep draws, which flow into Coyote Wash. The draws are often rimmed with steep side hills with exposed sand stone bedrock cliffs. Vernal, Utah is approximately 35 air miles and 55 road miles to the northwest. The area is accessed by Utah State, Uintah County and oilfield development Roads to with 0.2 miles of the location where a new road will be constructed.

The proposed East Chapita 19-23 gas well is in a valley or wide swale of a side drainage of Coyote Wash. It is surrounded except on the north buy low hills with sandstone bedrock outcrops. The inactive bottom of the draw hits the south side of the proposed pad. The access road will dug-way down a hillside and an inside ditch will be constructed and continue east around the location to intercept any overland flow that may occur. The bottom of the swale slopes gently to the west.

The surface for this location is owned by SITLA while the minerals are owned by the Federal Government and administered by the BLM. Nathan Packer of the BLM attended the site visit. He had no concerns except he noted that a raptor nest discussed below existed. Jim Davis of SITLA attended the pre-site visit and had no concerns regarding the proposed location. The selected location appears to be a suitable site for drilling and operating a well.

Ben Williams and Daniel Emmett represented the Utah Division of Wildlife Resources. Mr. Emmett stated the area is classified as critical yearlong habitat for antelope. He however recommended no stipulations for this species as the loss of forage from this location is not significant and water not forage is the factor limiting the herd population in the area. A historic raptor nest exists about 3/8 miles to the northwest in sandstone ledge outcrops. Ben Williams walked to the site and stated it had had maintenance this spring but no nesting occurred. He could not identify the species of use but past monitoring shows it has been used by golden eagles. The BLM, which owns the minerals, previously recommend an activity restriction during the common nesting and fledging season of February thru July 15, unless waived by their Biologist. No other wildlife is expected to

# **Application for Permit to Drill Statement of Basis**

8/27/2007

# Utah Division of Oil, Gas and Mining

Page 2

be affected. Mr. Emmett gave Byron Tolman, representing EOG Resources, and Mr. Davis a copy of his evaluation and a DWR recommended seed mix to use when re-vegetating the area.

Floyd Bartlett

8/16/2007

**Onsite Evaluator** 

Date / Time

# Conditions of Approval / Application for Permit to Drill

Category

Condition

Pits

A synthetic liner with a minimum thickness of 16 mils with a felt subliner shall be

properly installed and maintained in the reserve pit.

Surface

Drainages adjacent to the proposed pad shall be diverted around the location.

#### CA-SITE PREDRILL EVALUATION

#### Utah Division of Oil, Gas and Mining

**Operator** 

EOG RESOURCES INC

Well Name

**E CHAPITA 19-23** 

API Number

43-047-39335-0

**APD No 444** 

Field/Unit NATURAL BUTTES

Location: 1/4,1/4 SWNW

Sec 23 7

Tw 9S

1858 FNL 468 FWL

GPS Coord (UTM)

**Surface Owner** 

Rng 23E

#### **Participants**

Floyd Bartlett (DOGM), Jim Davis (SITLA), Byron Tolman (Agent for EOG Resources) and Ben Williams and Daniel Emmet (UDWR).

#### Regional/Local Setting & Topography

The general area is within the Coyote Wash Drainage. This is a major drainage beginning near the Utah-Colorado border to the east and joining the White River approximately 8 miles to the southwest. The drainage consists of several significant side drainages. The drainage is dry except for ephemeral flows. No seeps or springs exist in the area. An occasional pond has been constructed to supply water for livestock and antelope. The topography is characterized by rolling hills, frequently divided by gentle to deep draws, which flow into Coyote Wash. The draws are often rimmed with steep side hills with exposed sand stone bedrock cliffs. Vernal, Utah is approximately 35 air miles and 55 road miles to the northwest. The area is accessed by Utah State, Uintah County and oilfield development Roads to with 0.2 miles of the location where a new road will be constructed.

The proposed East Chapita 19-23 gas well is in a valley or wide swale of a side drainage of Coyote Wash. It is surrounded except on the north buy low hills with sandstone bedrock outcrops. The inactive bottom of the draw hits the south side of the proposed pad. The access road will dug-way down a hillside and an inside ditch will be constructed and continue east around the location to intercept any overland flow that may occur. The bottom of the swale slopes gently to the west.

Both the surface and minerals for this location are owned by SITLA.

#### Surface Use Plan

**Current Surface Use** 

Grazing

Recreational

Wildlfe Habitat

Deer Winter Range

New Road

Miles Well Pad

Src Const Material

**Surface Formation** 

0.2

Width 261

Length 325

Onsite

UNTA

Ancillary Facilities N

#### Waste Management Plan Adequate? Y

#### **Environmental Parameters**

Affected Floodplains and/or Wetland N

#### Flora / Fauna

Antelope, coyote, small mammals, birds and raptors. Winter domestic sheep grazing.

Cheatgrass, saltbrush, black sagebrush, halogeton, big dagebrush, shadscale, prickly pear, and halogeton.

#### Soil Type and Characteristics

Shallow gravely sandy loam.

Erosion Issues N

Sedimentation Issues N

Site Stability Issues N

#### Drainage Diverson Required Y

Along the road and east around upslope side of the location.

Berm Required? N

**Erosion Sedimentation Control Required?** N

Paleo Survey Run?

Paleo Potental Observed? N

Cultural Survey Run? Y

**Cultural Resources?** 

#### Reserve Pit

Site-Specific Factors		Site 1	Ranking		
Distance to Groundwater (feet)	>200		0		
Distance to Surface Water (feet)	>1000		0		
Dist. Nearest Municipal Well (ft)	>5280		0		
Distance to Other Wells (feet)	300 to 1320		10		
Native Soil Type	Mod permeability		10		
Fluid Type	Fresh Water		5		
<b>Drill Cuttings</b>	Normal Rock		0		
<b>Annual Precipitation (inches)</b>	<10		0		
Affected Populations	<10		0		
<b>Presence Nearby Utility Conduits</b>	Not Present		0		
		Final Score	25	1 Sensitivity Lev	el

#### Characteristics / Requirements

The reserve pit is proposed on the southwest portion of the location within an area of cut. Dimensions are 75' x 147' x 12' deep. A liner is required. EOG customarily uses a 16 mil liner with an appropriate thickness of sub-felt to cushion the liner.

Closed Loop Mud Required? N Liner Required? Y Liner Thickness 16 Pit Underlayment Required? Y

#### Other Observations / Comments

Floyd Bartlett

Evaluator

8/16/2007

Date / Time

From:

**Kurt Higgins** 

To:

Bonner, Ed; Davis, Jim; Mason, Diana; White, Raleen

Date:

9/11/2008 11:03 AM

**Subject:** 

**EOG Well** 

EOG East Chapita 19-23

An Agreement for Surface Use has been completed for the East Chipita 19-23 well located on SITLA surface and Federal minerals.

Township 9 South, Range 23 East SLB&M

Section 23: SW1/4NW1/4

#### Kurt Higgins

Kurt M. Higgins Trust Lands Resource Specialist School and Institutional Trust Lands Administration 675 East 500 South, Suite 500 Salt Lake City, Utah 84102-2818

Phone: (801) 538-5100 Fax: (801) 355-0922 Email:: khiggins@utah.gov



# State of Utah DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

September 11, 2008

EOG Resources, Inc. 1060 East Highway 40 Vernal, UT 84078

Re: East Chapita 19-23 Well, 1858' FNL, 468' FWL, SW NW, Sec. 23, T. 9 South,

R. 23 East, Uintah County, Utah

#### Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann.§ 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

Administrative approval for commingling the production from the Wasatch formation and the Mesaverde formation in this well is hereby granted. Appropriate information has been submitted to DOGM in accordance with R649-3-22. No written objections from owners were received by DOGM.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-39335.

Sincerely,

Wil Hut

Gil Hunt

Associate Director

pab Enclosures

cc: Uintah County Assessor

Bureau of Land Management, Vernal Office

SITLA



Operator:	EOG Resources, Inc	<u>).</u>	
Well Name & Number	East Chapita 19-23		
API Number:	43-047-39335		
Lease:	UTU-67868		-
Location: SW NW	<b>Sec.</b> 23	T. 9 South	<b>R.</b> 23 East

## **Conditions of Approval**

#### 1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

## 2. Notification Requirements

Notify the Division with 24 hours of spudding the well.

• Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

• Contact Dustin Doucet at (801) 538-5281 office

(801) 733-0983 home

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

- 4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.
- 5. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.
- 6. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)

STATE OF UTAH		FORM 9	
	DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	G	5.LEASE DESIGNATION AND SERIAL NUMBER: UTU-67868
SUNDF	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:		
	sals to drill new wells, significantly deepen exis igged wells, or to drill horizontal laterals. Use A		7.UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL Gas Well			8. WELL NAME and NUMBER: E CHAPITA 19-23
2. NAME OF OPERATOR: EOG Resources, Inc.			9. API NUMBER: 43047393350000
3. ADDRESS OF OPERATOR: 1060 East Highway 40 , Verna		PHONE NUMBER: Ext	9. FIELD and POOL or WILDCAT: NATURAL BUTTES
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1858 FNL 0468 FWL QTR/QTR, SECTION, TOWNSHI Qtr/Qtr: SWNW Section: 23	P, RANGE, MERIDIAN: 3 Township: 09.0S Range: 23.0E Meridian: S		COUNTY: UINTAH  STATE: UTAH
11. CHE	CK APPROPRIATE BOXES TO INDICATE N	ATURE OF NOTICE, REPORT,	OR OTHER DATA
TYPE OF SUBMISSION		TYPE OF ACTION	
	CHANGE TO PREVIOUS PLANS  CHANGE WELL STATUS  DEEPEN  OPERATOR CHANGE  PRODUCTION START OR RESUME  REPERFORATE CURRENT FORMATION  TUBING REPAIR  WATER SHUTOFF	the referenced well be	
NAME (PLEASE PRINT) Mickenzie Thacker	<b>PHONE NUMBER</b> 435 781-9145	TITLE Operations Clerk	
SIGNATURE N/A	.33 / 02 32 13	<b>DATE</b> 9/11/2009	



#### The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

**Electronic Permitting System - Sundry Notices** 

#### Request for Permit Extension Validation Well Number 43047393350000

**API:** 43047393350000 **Well Name:** E CHAPITA 19-23

Location: 1858 FNL 0468 FWL QTR SWNW SEC 23 TWNP 090S RNG 230E MER S

**Company Permit Issued to:** EOG RESOURCES, INC.

**Date Original Permit Issued:** 9/11/2008

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

require revi	sion. Following is	a checklist of s	ome items related to the	application, v	vnich should be verified.
	ated on private la ed? 📗 Yes 🌘		nership changed, if so, ha	as the surface	agreement been
	any wells been di requirements for		nity of the proposed well  Yes 🖲 No	which would	affect the spacing or
	nere been any uni s proposed well?			could affect th	ne permitting or operation
	there been any cl the proposed loc		ccess route including ow s  No	nership, or rig	htof- way, which could
• Has th	ne approved sour	ce of water for	drilling changed? 🔘 Yo	es 📵 No	
			to the surface location of sed at the onsite evaluat		e which will require a No
• Is bor	nding still in place	e, which covers	this proposed well? 🌘	Yes 📗 No	Approved by the Utah Division of il, Gas and Mining
Signature:	Mickenzie Thacker	Date:	9/11/2009		_
_			EOG RESOURCES, INC.	Date:	September 14, 2009
				7.	0/13.

By: Down

	STATE OF UTAH		FORM 9	
	DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MININ	G	5.LEASE DESIGNATION AND SERIAL NUMBER: UTU-67868	
SUNDRY NOTICES AND REPORTS ON WELLS			6. IF INDIAN, ALLOTTEE OR TRIBE NAME:	
Do not use this form for proposition-hole depth, reenter plu DRILL form for such proposals.	sals to drill new wells, significantly deepen exis igged wells, or to drill horizontal laterals. Use A	sting wells below current APPLICATION FOR PERMIT TO	7.UNIT or CA AGREEMENT NAME:	
1. TYPE OF WELL Gas Well			8. WELL NAME and NUMBER: E CHAPITA 19-23	
2. NAME OF OPERATOR: EOG Resources, Inc.			<b>9. API NUMBER:</b> 43047393350000	
3. ADDRESS OF OPERATOR: 1060 East Highway 40 , Verna	<b>PHONE N</b> al, UT, 84078 435 781-9111 i		9. FIELD and POOL or WILDCAT: NATURAL BUTTES	
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1858 FNL 0468 FWL			COUNTY: UINTAH	
QTR/QTR, SECTION, TOWNSHI Qtr/Qtr: SWNW Section: 23	rP, RANGE, MERIDIAN: 3 Township: 09.0S Range: 23.0E Meridian: S		STATE: UTAH	
11. CHE	CK APPROPRIATE BOXES TO INDICATE N	IATURE OF NOTICE, REPORT,	OR OTHER DATA	
TYPE OF SUBMISSION		TYPE OF ACTION		
l .	CHANGE TO PREVIOUS PLANS  CHANGE WELL STATUS  DEEPEN  OPERATOR CHANGE  PRODUCTION START OR RESUME  REPERFORATE CURRENT FORMATION  TUBING REPAIR  WATER SHUTOFF	r the referenced well be	·	
NAME (PLEASE PRINT) Mickenzie Gates	PHONE NUMBER 435 781-9145	TITLE Operations Clerk		
SIGNATURE N/A	455 /01-3145	DATE 8/26/2010		



#### The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

**Electronic Permitting System - Sundry Notices** 

#### Request for Permit Extension Validation Well Number 43047393350000

**API:** 43047393350000 Well Name: E CHAPITA 19-23

Location: 1858 FNL 0468 FWL QTR SWNW SEC 23 TWNP 090S RNG 230E MER S

Company Permit Issued to: EOG RESOURCES, INC.

**Date Original Permit Issued:** 9/11/2008

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the req

informat uire revis	tion as submitted in t sion. Following is a c	the previou hecklist of	isly approved a some items re	application to d lated to the app	rill, remai: plication, v	ns valid and does vhich should be v	not erified.
	nted on private land, ed? 🔵 Yes 📵 No		nership chang	jed, if so, has th	ne surface	agreement been	
	any wells been drille requirements for thi			oposed well wh No	ich would	affect the spacing	j or
	nere been any unit or s proposed well?		eements put in No	place that cou	ld affect th	e permitting or o	peration
	there been any chang the proposed location			cluding owners	ship, or rig	htof- way, which	could
• Has th	ne approved source o	of water for	drilling chang	ed? 🔵 Yes (	No No		
	there been any physi e in plans from what						re a
• Is bor	nding still in place, w	hich covers	s this proposed	d well? 🌘 Yes	s 🔵 No	Approved by th Utah Division o il, Gas and Min	of
nature:	Mickenzie Gates	Date:	8/26/2010				
Title:	Operations Clerk Rep	resenting:	<b>EOG RESOURCI</b>	ES, INC.	Date:	August 31, 20	10
	-	_			B. C.	, 00cm/W	

Sig

Form 3160 - 3 FORM APPROVED OMB No. 1004-0137 Expires March 31, 2007 (February 2005) UNITED STATES Lease Serial No. DEPARTMENT OF THE INTERIOR UTU-67868 BUREAU OF LAND MANAGEMENT 6. If Indian, Allotee or Tribe Name APPLICATION FOR PERMIT TO DRILL OR REENTER 7. If Unit or CA Agreement, Name and No. **V** DRILL la. Type of work: REENTER 8. Lease Name and Well No. Oil Well | Gas Well lb. Type of Well: Single Zone ✓ Multiple Zone East Chapita 19-23 Name of Operator 9. API Well No. **EOG** Resources, Inc 3b. Phone No. (include area code) 3a. Address 1060 East Highway 40 Vernal, UT 84078 435-781-9111 Natural Buttes/Wasatch/Mesaverde 11. Sec., T. R. M. or Blk. and Survey or Area 4. Location of Well (Report location clearly and in accordance with any State requirements.\*) 1,858' FNL & 468' FWL (SWNW) 40.023656 LAT 109.301919 LON At surface Sec. 23-T9S-R23E S.L.B. & M. At proposed prod. zone Same 12. County or Parish 13. State 14. Distance in miles and direction from nearest town or post office\* 55.45 south of Vernal, Utah **Uintah County** UT 17. Spacing Unit dedicated to this well Distance from proposed\* 16. No. of acres in lease 468 Lease Line location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 1.079 468 Drilling Line Distance from proposed location\* to nearest well, drilling, completed, applied for, on this lease, ft. 20. BLM/BIA Bond No. on file 19. Proposed Depth 4,980 8,750 NM 2308 Elevations (Show whether DF, KDB, RT, GL, etc.) 22. Approximate date work will start\* 23. Estimated duration 5,116' GL 45 days 24. Attachments The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, must be attached to this form: Bond to cover the operations unless covered by an existing bond on file (see 1. Well plat certified by a registered surveyor. Item 20 above). 2. A Drilling Plan. Operator certification 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office). Such other site specific information and/or plans as may be required by the Name (Printed/Typed) 25. Signature Carrie MacDonald 06/04/2007 Title

**Operations Clerk** 

Approved by (Signgaure)

Kenczka

Data APR 0 8 2011

**VERNAL FIELD OFFICE** 

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

\*(Instructions on page 2)

RECEIVED

APR 1 4 2011

NOTICE OF APPROVAL

DIV. OF OIL, GAS & MINING

NOS 4/24/07 07001877A

CONDITIONS OF APPROVAL ATTACHED



#### UNITED STATES DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT VERNAL FIELD OFFICE** 170 South 500 East

**VERNAL, UT 84078** 

(435) 781-4400



# CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company:

EOG Resources Inc.

Location:

**SWNW, Sec.23, T9S R23E** 

Well No: API No:

East Chapita 19-23 43-047-39335

Lease No:

UTU-67868

Agreement:

N/A

**OFFICE NUMBER:** 

(435) 781-4400

OFFICE FAX NUMBER:

(435) 781-3420

#### A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR FIELD REPRESENTATIVE TO INSURE COMPLIANCE

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. This permit was processed using a 390 CX tied to NEPA approved 03/31/2008. Therefore, this permit is approved for a two (2) year period OR until lease expiration OR the well must be spud by 03/31/2013 (5 years from the NEPA approval date), whichever occurs first. An additional extension, up to two (2) years, may be applied for by sundry notice prior to expiration.

#### NOTIFICATION REQUIREMENTS

Location Construction (Notify Environmental Scientist)	-	Forty-Eight (48) hours prior to construction of location and access roads.
Location Completion (Notify Environmental Scientist)	-	Prior to moving on the drilling rig.
Spud Notice (Notify Petroleum Engineer)	-	Twenty-Four (24) hours prior to spudding the well.
Casing String & Cementing (Notify Supv. Petroleum Tech.)	-	Twenty-Four (24) hours prior to running casing and cementing all casing strings to: ut vn opreport@blm.gov.
BOP & Related Equipment Tests (Notify Supv. Petroleum Tech.)	-	Twenty-Four (24) hours prior to initiating pressure tests.
First Production Notice (Notify Petroleum Engineer)	-	Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days.

Page 2 of 6 Well: East Chapita 19-23 1/12/2010

#### SURFACE USE PROGRAM CONDITIONS OF APPROVAL (COAs)

- If there is an active Gilsonite mining operation within 2 miles of the well location, operator shall notify the Gilsonite operator at least 48 hours prior to any blasting during construction.
- If paleontological materials are uncovered during construction, the operator is to immediately stop work and contact the Authorized Officer (AO). A determination will be made by the AO as to what mitigation may be necessary for the discovered paleontologic material before construction can continue.

#### SITE SPECIFIC CONDITIONS OF APPROVAL

- Prevent fill and stock piles from entering drainages.
- The access road shall be crowned and ditched. Flat-bladed roads are not allowed.
- The authorized officer may prohibit surface disturbing activities during severe winter, wet, or muddy conditions to minimize watershed damage. This limitation does not apply to operation and maintenance of producing wells.
- If additional erosion occurs during the life of this project, more culverts, low water crossings, berms, wing ditches, or gravel (from a private or commercial source) etc. shall be needed to control the erosion. Low-water crossings and culverts shall be appropriately constructed to avoid sedimentation of drainage ways and other water resources.
- Bury pipelines at all low water crossings.
- Surface pipelines will be placed 5-10 feet outside of the borrow area.
- Surface pipelines will be placed in such a way that they would not wander into the borrow area.
- Pipelines will be buried at all major road and drainage crossings.
- Permission to clear all wildlife stipulations would only be approved by the BLM authorized officer during the specific timing for the species potentially affected by this action.
- No construction operations will occur within 0.5 miles of golden eagle nest January 1 August 31.

Page 3 of 6 Well: East Chapita 19-23 1/12/2010

#### DOWNHOLE PROGRAM CONDITIONS OF APPROVAL (COAs)

#### SITE SPECIFIC DOWNHOLE COAs:

- The top of the production casing cement shall extend a minimum of 200 feet above the surface casing shoe.
- A 75 foot long blooie line is approved. All other equipment for air/gas drilling shall meet specifications in Onshore Order #2, III. Requirements, E. Special Drilling Operations.
- Logging program: Gamma Ray shall be run from TD to surface.
- Commingling:
- Downhole commingling for the Wasatch-Mesaverde formations is approved. This approval can be rescinded at any time the Authorized Officer determines the commingling to be detrimental to the interest of the United States.

All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to. The following items are emphasized:

#### DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.
- All requirements listed in Onshore Order #2 III. E. Special Drilling Operations are applicable for air drilling of surface hole.
- Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.
- All BOPE components shall be inspected daily and those inspections shall be recorded in the
  daily drilling report. Components shall be operated and tested as required by Onshore Oil &
  Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be
  performed by a test pump with a chart recorder and <u>NOT</u> by the rig pumps. Test shall be
  reported in the driller's log.
- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.
- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.
- No aggressive/fresh hard-banded drill pipe shall be used within casing.

Page 4 of 6 Well: East Chapita 19-23 1/12/2010

- Cement baskets shall not be run on surface casing.
- The operator must report all shows of water or water-bearing sands to the BLM. If flowing water
  is encountered it must be sampled, analyzed, and a copy of the analyses submitted to the BLM
  Vernal Field Office.
- The operator must report encounters of all non oil & gas mineral resources (such as Gilsonite, tar sands, oil shale, trona, etc.) to the Vernal Field Office, in writing, within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) should the BLM need to obtain additional information.
- A complete set of angular deviation and directional surveys of a directional well will be submitted to the Vernal BLM office engineer within 30 days of the completion of the well.
- While actively drilling, chronologic drilling progress reports shall be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.
- A cement bond log (CBL) will be run from the production casing shoe to the <u>top of cement</u> and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.
- Please submit an electronic copy of all other logs run on this well in LAS format to UT\_VN\_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.
- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. Any changes in operation must have prior approval from the BLM Vernal Field Office.

Page 5 of 6 Well: East Chapita 19-23 1/12/2010

#### **OPERATING REQUIREMENT REMINDERS:**

- All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well.
- In accordance with 43 CFR 3162.4-3, this well shall be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.
- Should the well be successfully completed for production, the BLM Vernal Field office must be
  notified when it is placed in a producing status. Such notification will be by written
  communication and must be received in this office by not later than the fifth business day
  following the date on which the well is placed on production. The notification shall provide, as a
  minimum, the following informational items:
  - o Operator name, address, and telephone number.
  - Well name and number.
  - Well location (¼¼, Sec., Twn, Rng, and P.M.).
  - Date well was placed in a producing status (date of first production for which royalty will be paid).
  - The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
  - The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
  - o Unit agreement and/or participating area name and number, if applicable.
  - o Communitization agreement number, if applicable.
- Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from the BLM Vernal Field Office.
- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events, as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.
- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or

Page 6 of 6 Well: East Chapita 19-23 1/12/2010

data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.

- All off-lease storage, off-lease measurement, or commingling on-lease or off-lease, shall have prior written approval from the BLM Vernal Field Office.
- Oil and gas meters shall be calibrated in place prior to any deliveries. The BLM Vernal Field
  Office Petroleum Engineers will be provided with a date and time for the initial meter calibration
  and all future meter proving schedules. A copy of the meter calibration reports shall be
  submitted to the BLM Vernal Field Office. All measurement facilities will conform to the API
  standards for liquid hydrocarbons and the AGA standards for natural gas measurement. All
  measurement points shall be identified as the point of sale or allocation for royalty purposes.
- A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted
  to the BLM Vernal Field Office within 30 days of installation or first production, whichever occurs
  first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be
  adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively
  sealed in accordance with Onshore Oil & Gas Order No. 3.
- Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of a suitable plan and need prior approval of the BLM Vernal Field Office. Emergency approval may be obtained orally, but such approval does not waive the written report requirement.
- No location shall be constructed or moved, no well shall be plugged, and no drilling or workover
  equipment shall be removed from a well to be placed in a suspended status without prior
  approval of the BLM Vernal Field Office. If operations are to be suspended for more than 30
  days, prior approval of the BLM Vernal Field Office shall be obtained and notification given
  before resumption of operations.
- Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.
- Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

Sundry Number: 14926 API Well Number: 43047393350000

	STATE OF UTAH DEPARTMENT OF NATURAL RESOURC	FS	FORM 9
DIVISION OF OIL, GAS, AND MINING			<b>5.LEASE DESIGNATION AND SERIAL NUMBER:</b> UTU-67868
	RY NOTICES AND REPORTS		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
	sals to drill new wells, significantly deepen Igged wells, or to drill horizontal laterals. U		7.UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL Gas Well			8. WELL NAME and NUMBER: E CHAPITA 19-23
2. NAME OF OPERATOR: EOG Resources, Inc.			9. API NUMBER: 43047393350000
3. ADDRESS OF OPERATOR: 1060 East Highway 40 , Verna		NE NUMBER: 11 Ext	9. FIELD and POOL or WILDCAT: NATURAL BUTTES
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1858 FNL 0468 FWL			COUNTY: UINTAH
QTR/QTR, SECTION, TOWNSHI Qtr/Qtr: SWNW Section: 23	P, RANGE, MERIDIAN: 3 Township: 09.0S Range: 23.0E Meridian	S	STATE: UTAH
11. CHE	CK APPROPRIATE BOXES TO INDICA	TE NATURE OF NOTICE, REPORT	, OR OTHER DATA
TYPE OF SUBMISSION		TYPE OF ACTION	
	☐ ACIDIZE	☐ ALTER CASING	CASING REPAIR
NOTICE OF INTENT Approximate date work will start: 5/6/2011	✓ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
SUBSEQUENT REPORT	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
Date of Work Completion:	OPERATOR CHANGE	PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
SPUD REPORT Date of Spud:	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
☐ DRILLING REPORT	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	APD EXTENSION
Report Date:	☐ WILDCAT WELL DETERMINATION	OTHER	OTHER:
	mpleted operations. Clearly show all per respectfully requests to chang well from 8750' to 8820	ge the TD for the referenc	
NAME (PLEASE PRINT) Mickenzie Gates	<b>PHONE NUMBER</b> 435 781-9145	<b>TITLE</b> Operations Clerk	
SIGNATURE N/A		<b>DATE</b> 5/6/2011	

Sundry Number: 18341 API Well Number: 43047393350000

	STATE OF UTAH DEPARTMENT OF NATURAL RESOUR	CEC			FORM 9
DIVISION OF OIL, GAS, AND MINING			5.LEAS UTU-6	<b>E DESIGNATION AND SERIAL NUMBER:</b> 7868	
SUNDF	RY NOTICES AND REPORTS	S ON	WELLS	6. IF IN	IDIAN, ALLOTTEE OR TRIBE NAME:
	sals to drill new wells, significantly deepe Igged wells, or to drill horizontal laterals.			7.UNIT	or CA AGREEMENT NAME:
1. TYPE OF WELL Gas Well					L NAME and NUMBER: PITA 19-23
2. NAME OF OPERATOR: EOG Resources, Inc.					NUMBER: 393350000
3. ADDRESS OF OPERATOR: 1060 East Highway 40 , Verna			UMBER: xt		D and POOL or WILDCAT: RAL BUTTES
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1858 FNL 0468 FWL				COUNT	
QTR/QTR, SECTION, TOWNSHI Qtr/Qtr: SWNW Section: 23	rp, range, meridian: 3 Township: 09.0S Range: 23.0E Meridia	n: S		STATE: UTAH	
11. CHE	CK APPROPRIATE BOXES TO INDICA	ATE N	ATURE OF NOTICE, REPORT,	OR OTI	HER DATA
TYPE OF SUBMISSION			TYPE OF ACTION		
	☐ ACIDIZE		ALTER CASING		CASING REPAIR
NOTICE OF INTENT Approximate date work will start:	☐ CHANGE TO PREVIOUS PLANS		CHANGE TUBING		CHANGE WELL NAME
9/8/2011	☐ CHANGE WELL STATUS		COMMINGLE PRODUCING FORMATIONS		CONVERT WELL TYPE
SUBSEQUENT REPORT	DEEPEN		FRACTURE TREAT		NEW CONSTRUCTION
Date of Work Completion:	OPERATOR CHANGE		PLUG AND ABANDON		PLUG BACK
	☐ PRODUCTION START OR RESUME		RECLAMATION OF WELL SITE		RECOMPLETE DIFFERENT FORMATION
SPUD REPORT Date of Spud:	☐ REPERFORATE CURRENT FORMATION		SIDETRACK TO REPAIR WELL		TEMPORARY ABANDON
	☐ TUBING REPAIR		VENT OR FLARE		WATER DISPOSAL
DRILLING REPORT	☐ WATER SHUTOFF		SI TA STATUS EXTENSION	1	APD EXTENSION
Report Date:	□ WILDCAT WELL DETERMINATION		OTHER	отн	ER:
12 DESCRIPE PROPOSED OR CO					<u> </u>
	ompleted operations. Clearly show all p respectfully requests the AP				etc.
200 11000011000, 211101	extended for one year				
	,			<i>_</i>	pproved by the
					Jtah Division of , Gas and Mining
				Oi	•
			D	ate:	09/14/2011
				F	00. rat 110
			В	λ: <u>π</u>	was fire
					33
NAME (PLEASE PRINT)	PHONE NUMBE	R	TITLE		
Michelle Robles	307 276-4842		Regulatory Assistant		
SIGNATURE N/A			<b>DATE</b> 9/8/2011		

Sundry Number: 18341 API Well Number: 43047393350000



#### The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

**Electronic Permitting System - Sundry Notices** 

**Title:** Regulatory Assistant **Representing:** EOG RESOURCES, INC.

## Request for Permit Extension Validation Well Number 43047393350000

**API:** 43047393350000 **Well Name:** E CHAPITA 19-23

Location: 1858 FNL 0468 FWL QTR SWNW SEC 23 TWNP 090S RNG 230E MER S

Company Permit Issued to: EOG RESOURCES, INC.

**Date Original Permit Issued:** 9/11/2008

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

	ated on private land, h ted? 📄 Yes 連 No	as the ownership changed, if so, has the surface agreement been
		in the vicinity of the proposed well which would affect the spacing or location? ( Yes ( No
	here been any unit or s s proposed well?	other agreements put in place that could affect the permitting or operation No
	there been any chang the proposed location	es to the access route including ownership, or rightof- way, which could?
• Has tl	he approved source of	water for drilling changed? 🔵 Yes 🌘 No
		al changes to the surface location or access route which will require a was discussed at the onsite evaluation?  Yes  No
• Is boı	nding still in place, wh	ich covers this proposed well? 🌘 Yes 💭 No
Signature:	Michelle Robles	<b>Date:</b> 9/8/2011

**Sundry Number: 28710 API Well Number: 43047393350000** 

	STATE OF UTAH		FORM 9
	DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MININ		5.LEASE DESIGNATION AND SERIAL NUMBER: UTU-67868
SUNDR	RY NOTICES AND REPORTS O	N WELLS	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
	oposals to drill new wells, significantly de reenter plugged wells, or to drill horizonta n for such proposals.		7.UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL Gas Well			8. WELL NAME and NUMBER: E CHAPITA 19-23
2. NAME OF OPERATOR: EOG Resources, Inc.			9. API NUMBER: 43047393350000
3. ADDRESS OF OPERATOR: 600 17th Street, Suite 1000		HONE NUMBER: 435 781-9111 Ext	9. FIELD and POOL or WILDCAT: NATURAL BUTTES
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1858 FNL 0468 FWL			COUNTY: UINTAH
QTR/QTR, SECTION, TOWNSH	HIP, RANGE, MERIDIAN: 23 Township: 09.0S Range: 23.0E Meridia	nn: S	STATE: UTAH
11. CHEC	K APPROPRIATE BOXES TO INDICATE	NATURE OF NOTICE, REPOR	RT, OR OTHER DATA
TYPE OF SUBMISSION		TYPE OF ACTION	
	CHANGE TO PREVIOUS PLANS  CHANGE WELL STATUS  DEEPEN  OPERATOR CHANGE  PRODUCTION START OR RESUME  REPERFORATE CURRENT FORMATION  TUBING REPAIR  WATER SHUTOFF  WILDCAT WELL DETERMINATION  COMPLETED OPERATIONS. Clearly show all nc. respectfully requests the All well be extended for one year	PD for the referenced	CASING REPAIR  CHANGE WELL NAME  CONVERT WELL TYPE  NEW CONSTRUCTION  PLUG BACK  RECOMPLETE DIFFERENT FORMATION  TEMPORARY ABANDON  WATER DISPOSAL  ✓ APD EXTENSION  OTHER:  Depths, volumes, etc.  Approved by the Utah Division of Oil, Gas and Mining  Date: August 09, 2012  By:
NAME (PLEASE PRINT) Vail Nazzaro	PHONE NUMBER	TITLE Sr. Regulatory Assistant	
SIGNATURE N/A	303 824-5590	DATE 8/8/2012	

Sundry Number: 28710 API Well Number: 43047393350000



#### The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

**Electronic Permitting System - Sundry Notices** 

Title: Sr. Regulatory Assistant Representing: EOG RESOURCES, INC.

#### Request for Permit Extension Validation Well Number 43047393350000

**API:** 43047393350000 **Well Name:** E CHAPITA 19-23

Location: 1858 FNL 0468 FWL QTR SWNW SEC 23 TWNP 090S RNG 230E MER S

Company Permit Issued to: EOG RESOURCES, INC.

Date Original Permit Issued: 9/11/2008

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

	on private land, has the ow No	vnership changed, if so, ha	as the surface agreement bed	en updated? 🔵
	wells been drilled in the vints for this location?		I which would affect the spa	cing or siting
	been any unit or other agr well? 🔲 Yes 📵 No	reements put in place that	could affect the permitting	or operation of this
		access route including ow No	vnership, or rightof- way, wh	ich could affect the
• Has the ap	proved source of water fo	or drilling changed? 🔘 🕦	∕es	
		es to the surface location one onsite evaluation?	or access route which will re Yes  No	quire a change in
• Is bonding	still in place, which cover	rs this proposed well? 🌘	Yes 🔘 No	
Signature: Vail I	Nazzaro	Date: 8/8/2012		

Form 3160-5 (August 2007)

# **UNITED STATES** DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

APR 0 4 2013

FORM APPROVED OMB NO. 1004-0135 Expires: July 31, 2010

Expires	<u>. Jui</u>
Lease Serial No.	
UTU67868	

SUNDRY NOTICES AND REPORTS ON WELLS  Do not use this form for proposals to drill or to re-enter are abandoned well. Use form 3160-3 (APD) for such proposal					<ul><li>5. Lease Serial No. UTU67868</li><li>6. If Indian, Allottee or Tribe Name</li></ul>	
SUBMIT IN TRIPLICATE - Other instructions on reverse side.					Unit or CA/Agre	ement, Name and/or No.
i. Type of Well ☐ Other ☐ Other					ell Name and No. AST CHAPITA	
Name of Operator Contact: VAIL A NAZZARO EOG RESOURCES, INC E-Mail: VAIL_NAZZARO@EOGRESOURCES.COM					PI Well No. 3-047-39335	
3a. Address 600 17TH ST., STE. 1000N DENVER, CO 80202	3b. Phone No. (include area code) Ph: 303-824-5590				10. Field and Pool, or Exploratory NATURAL BUTTES/WASATCH/ME	
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)				11. C	County or Parish,	and State
Sec 23 T9S R23E SWNW 1858FNL 468FWL				UI	NTAH COUN	TY, UT
12. CHECK APPR	ROPRIATE BOX(ES) TO IN	NDICATE NAT	URE OF N	OTICE, REPOR	T, OR OTHE	R DATA
TYPE OF SUBMISSION	TYPE OF ACTION					
Notice of Intent     ■     Notice of Intent     Notice of Inten	☐ Acidize	☐ Deepen		☐ Production (Sta	art/Resume)	☐ Water Shut-Off
☐ Subsequent Report	☐ Alter Casing	☐ Fracture Ti	reat	☐ Reclamation	•	☐ Well Integrity
•	☐ Casing Repair	■ New Const	ruction	□ Recomplete		☑ Other
☐ Final Abandonment Notice	☐ Change Plans	☐ Plug and A	bandon	☐ Temporarily A	bandon	Change to Original A PD
Describe Proposed or Completed Ope     If the proposal is to deepen directiona	Convert to Injection	Plug Back		■ Water Disposa		
If the proposal is to deepen directiona Attach the Bond under which the worl following completion of the involved testing has been completed. Final Abdetermined that the site is ready for fit EOG Resources, Inc. respectful	operations. If the operation results andonment Notices shall be filed or nal inspection.)	in a multiple compl ally after all requirent resion for the reference	etion or recor	nequired subsequent mpletion in a new inte ng reclamation, have b	VERNAL ENG. F. ESS. PET.	filed within 30 days
14. I hereby certify that the foregoing is t					RECL	
	Electronic Submission #2033	OURCES INC. e	ant to the V	ornal		-
Name (Printed/Typed) VAIL A NA	Committed to AFMSS for prod	cessing by BOBE	SCHROE	DER on 04/09/2013		
	-ZARO	Title	SR. REG	ULATORY ASSIS	STANT	
Signature (Electronic Su	ibmission)	Date	04/04/20	13_		
	THIS SPACE FOR F	EDERAL OR	STATE C	FFICE USE		
Approved By DEN	LU	Title				APR. 2 3 2013
onditions of approval, if any, are attached. Approval of this notice does not warrant or extify that the applicant holds legal or equitable title to those rights in the subject lease hich would entitle the applicant to conduct operations thereon.  VERNAL FIELD OFFICE Office						
itle 18 U.S.C. Section 1001 and Title 43 U States any false, fictitious or fraudulent sta	S.C. Section 1212, make it a crime	for any person kno	wingly and w	villfully to make to any	department or a	gency of the United

# **Reason for Denial**

# EOG Resources, Inc.

# Notice of Intent APD Extension

Lease:

UTU-67868

Well:

East Chapita 19-23

Location:

SWNW Sec 23-T9S-R23E

An extension for the referenced APD is denied for the following reason:

- 1. The original APD was approved on 04/08/2011, and the original 2 year expiration date of the APD would normally have been until 04/08/2013. However, the Site Specific NEPA document was a Categorical Exclusion (CX) with an expiration date of 03/31/2013. An APD can be extended if the Site Specific NEPA document is valid for the period of the extension. In this case the APD expired on the date of the expiration date of the CX which was prior to the original 2 year term of the APD.
- 2. The APD for the above well cannot be extended.

The well specific NEPA was a Categorical Exclusion reference Section 390 of the Energy Policy Act of 2005 with a five year spud date condition based upon the signature date of the Chapita Wells-Stagecoach Area Natural Gas Development EIS which was approved on 03/31/2008. Any and all CX NEPA Site Specific Documents for well locations tiered off this EIS have an expiration date of 03/31/2013.

If you have any other questions concerning this matter, please contact Robin L Hansen of this office at (435) 781-2777



# **United States Department of the Interior**

BUREAU OF LAND MANAGEMENT
Green River District
Vernal Field Office
170 South 500 East
Vernal, UT 84078
http://www.blm.gov/ut/st/en/fo/vernal.html



June 13, 2013

IN REPLY REFER TO: 3160 (UTG011)

Kaylene Gardner EOG Resources, Inc. 600 17TH STREET, SUITE 1000 N DENVER, CO 80202

43 047 39335

Re:

Notice of Expiration

Well No. East Chapita 19-23 SWNW, Sec. 23, T9S, R23E Uintah County, Utah Lease No. UTU-67868

Dear Ms. Gardner:

The Application for Permit to Drill (APD) for the above-referenced well was approved on April 8, 2011. A two (2) year extension of the original APD was requested. The request was reviewed and the extension denied due to the NEPA expiring on 3/31/2013, prior to the original two years of the APD approval. According to our records, no known activity has transpired at the approved location. In view of the foregoing, this office is notifying you that the approval of the referenced application has expired. If you intend to drill at this location in the future, a new Application for Permit to Drill must be submitted.

This office requires a letter confirming that no surface disturbance has been made for this drill site. Any surface disturbance associated with the approved location of this well is to be rehabilitated. A schedule for this rehabilitation must be submitted to this office. Your cooperation in this matter is appreciated.

If you have any questions regarding this matter, please contact Robin R. Hansen at (435) 781-3428.

Sincerely,

/s/ Jerry Kenczka

Jerry Kenczka Assistant Field Manager Lands & Mineral Resources

CC:

**UDOGM** 

bcc:

Well File

I&E Asst.

RECEIVED JUN 1 8 2013

DIV. OF OIL, GAS & MINING



# State of Utah

#### **DEPARTMENT OF NATURAL RESOURCES**

MICHAEL R. STYLER Executive Director

Division of Oil, Gas and Mining

November 29, 2013

JOHN R. BAZA
Division Director

EOG Resources, Inc. 600 17th Street, Suite 1000 N. Denver, CO 80202 43 047 39335 E Chapita 19-23 95 23E 23

Re: APDs Rescinded for EOG Resources, Inc, Uintah County

#### Ladies and Gentlemen:

Enclosed find the list of APDs that is being rescinded. No drilling activity at these locations has been reported to the division. Therefore, approval to drill these wells is hereby rescinded, effective November 29, 2013.

A new APD must be filed with this office for approval <u>prior</u> to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,

Diana Mason

**Environmental Scientist** 

cc: Well File

Bureau of Land Management, Vernal



	43-047-39614	CWU 978-13
	43-047-40319	CWU 772-18
	43-047-40320	CWU 771-18
	43-047-40321	CWU 768-18
	43-047-40322	CWU 770-18
	43-047-40326	CWU 726-28
	43-047-40327	CWU 777-29
	43-047-40334	CWU 773-13
	43-047-40335	CWU 765-20
	43-047-40336	CWU 798-30
$\rightarrow$	43-047-39335	E CHAPITA 19-23
•	43-047-50117	CWU 4000-30
	43-047-50120	CWU 793-21
	43-047-50121	CWU 799-30
	43-047-50114	CWU 4001-13
	43-047-50129	CWU 767-18
	43-047-50131	CWU 769-18
	43-047-50133	CWU 791-20
	43-047-50134	CWU 790-20
	43-047-50135	CWU 794-21
•	43-047-50137	CWU 787-19
	43-047-50140	CWU 795-28
	43-047-50141	CWU 797-28
	43-047-50142	CWU 786-19
	43-047-50122	CWU 1193-13
	43-047-50664	CWU 1527-20
	43-047-50665	CWU 661-34